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MASSACHUSETTS MAN PLEADS GUILTY IN NEW HAMPSHIRE SOFTWARE PIRACY CONSPIRACY

CONCORD, NEW HAMPSHIRE: United States Attorney Tom Colantuono and Kenneth W. Kaiser, Special Agent in Charge of the Boston Division of the Federal Bureau of Investigation today announced that Daniel McVay, age 32 of South Easton, Massachusetts, pleaded guilty to charges that he conspired with 75 others to engage in Internet based Software Piracy. McVay faces a maximum prison sentence of 5 years and a \$250,000 fine. He will be sentenced March 30, 2004 at 10:30 AM.

This case arose out of an FBI undercover operation known as "Operation Digital Piratez" run in New Hampshire by the Boston, Massachusetts FBI Computer Squad. During the course of the undercover operation undercover agents and cooperating witnesses infiltrated several Internet based computer servers, known as "warez servers" run by groups of software pirates. Warez servers exist for the exclusive illegal purpose of storing, copying, and reproducing, world wide, copyright protected software. They serve no lawful purpose.

Mr. McVay owned and operated one of those warez servers known as "City Morgue." It was seized by the FBI and contained more than 1,000 pieces of pirated software, each of which was made available only to co-conspirators who had secret access to the server. At the hearing today, when McVay admitted his guilt, the prosecutor advised the Court that within the server's memory are records of the other individuals who accessed the server, and those records note the time, date and duration of access, as well as the Internet Protocol address of the computers used by those gaining access.

After the hearing today, U.S. Attorney, Tom Colantuono said, "Software piracy is nothing more and nothing less than Internet based theft, which will not be tolerated in New Hampshire." The case was investigated by the FBI's Computer Squad in Boston, Massachusetts. The case is being prosecuted by Assistant U. S. Attorney Arnold Huftalen, with assistance from the United States Department of Justice Computer Crime and Intellectual Property Section in Washington, DC.